

The New PTO Rules

How to Deal with an Impending Train Wreck

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Brad Pedersen, Esq.
pedersen@ptslaw.com



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The Changes: Limits on Claims, Continuations and Co-pending Cases

- **Claim limits**
 - Limit of no more than 5 independent and 25 total claims per application
 - Otherwise, expensive search and Examination Support Document (ESD) is required
 - If large entity, ESD must include reverse claim mapping
 - Applies to both new and pending applications without an Office Action by 11/1/07
- **Continuation limits**
 - Each patent family limited to 2 continuations and 1 RCE (continuing exam) - 2+1
 - Older patent families may get 1 “extra” continuation above 2+1 in some situations
 - Divisional applications filed in response to a PTO restriction reset continuation limits
 - Continuation limits apply only to applications filed after 11/1/07
 - 2+1 limits apply forwards as well as backward - i.e. no parent can have more than 2 child cases and no child can have more than 2 claims to parent cases
- **Co-pending Case limits**
 - Must identify all “related” co-pending cases with common assignee, common inventor
 - Must explain/overcome if there are multiple cases with Patentably Indistinct claims
 - Identify/explain due - 2/1/08 for pending cases, filing +4 months for new cases

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The Impact: All Pending Cases Must be Reviewed

■ Claim limits

- Multiple dependent claims count against limit based on number of dependencies
- Dependent claims that cross statutory classes counted as independents
- Withdrawn claims don't count against limits unless later rejoined

■ Continuation limits

- Families with 2+ continuing applications or priority claims (2+ cases) must be reviewed
- Important cases that may need 2+ continuing applications need to be identified
- All cases with potential unclaimed subject matter or potential divisional cases should be reviewed before 11/1/07

■ Co-pending Case limits

- Identify all "related cases" - commonly owned cases with one common inventor and the same priority dates of any priority dates in other cases, including provisionals
- Explain/overcome rebuttable presumption that claims in related cases with common priority dates and overlapping subject matter are Patentably Indistinct
- PTO may require cancellation of any Patentably Indistinct claims
- Cases with Patentably Indistinct claims may be added together for 5/25 claim limits!

The Reasons: PTO argues they are being overwhelmed

■ Claim limits

- Small number of cases purportedly taking up disproportion share of PTO resources
- PTO wants applicants to share the burden in those cases by submitting an ESD
- Small entities get exception from hardest part of ESD - the reverse claim mapping

■ Continuation limits

- PTO asserts too many "rework" applications to same invention (29% in 2006)
- Limit of 2 continuations of right may permit up to 15/75 claims for any given invention
- Petitions can be filed to request more than 2 continuations

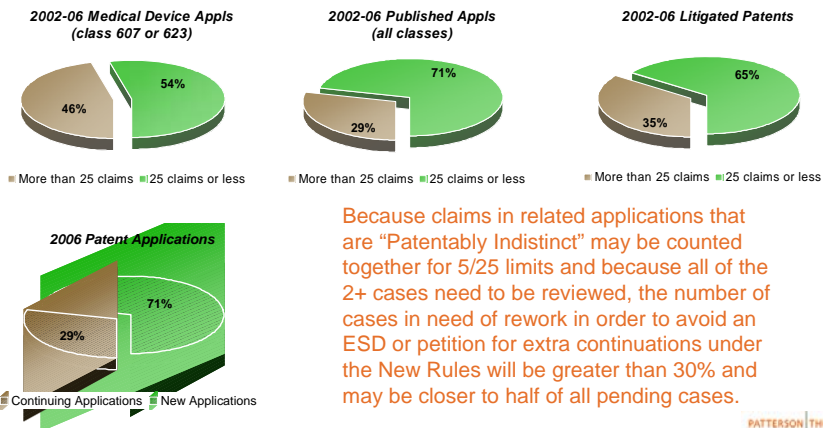
■ Co-pending Case limits

- PTO wants applicants to prosecute continuation applications serially, not in parallel
- Applicants better able to untangle double patenting in "rat's nest" related cases
- Serial prosecution decreases likelihood of differing results in different parallel cases
- Co-pending case limits probably will do the most to decrease application numbers

The Legal Challenge: GlaxoSmithKline files for Preliminary Injunction

- **Case filed 10/9/07**
 - Alleges that PTO acted beyond its rule making authority in adopting the rules
 - GSK has more than one hundred continuing or RCE cases affected by the rules
 - Asks for preliminary injunction preventing PTO from enacting rules on 11/1/07
 - Sets summary judgment briefing and hearing schedule to be completed by end of year assuming preliminary injunction is granted
- **Preliminary Injunction Hearing Moved to 10/31/07**
 - Originally set for 10/26/07
 - Moved to 10/31/07 on request by PTO
 - GSK opposed moving hearing in order to permit time for emergency appeal to Federal Circuit if Preliminary Injunction Motion was denied
 - AIPLA has filed Amicus brief
 - IBM declaration that it expects costs > \$10M for 25,000 pending cases
 - Case has been transferred to Judge Cacheris (ED Va)
 - Senior status judge with a BS undergraduate degree
 - Unfortunately, timing of hearing is too late to avoid the need to take actions that otherwise should be done by 11/1/07

The Damage: Up to half of pending cases may need rework



The Damage: Issued Patents

- **Issued Patents**
 - Not affected unless there is a reissue or re-examination application filed
- **Reissue Applications**
 - Affects only those filed after 11/1/07
 - Any attempt to amend claims will bring reissue application within scope of new rules on 5/25 claim limits and ESD requirements
- **Re-examination Applications**
 - Re-exams filed after 11/1/07 not be affected by 5/25 claim limits and ESDs
 - Only requirement for Co-pending cases is requirement to identify commonly owned cases under *Rule 78(g)* *Clarified at AIPLA 10/19/07
- **Requests for Continuing Examination (RCE)**
 - For any pending cases where an RCE has already been filed, review to see whether any additional RCE's may be needed and file by 11/1/07
- **Cases with Restriction Requirements**
 - Change in the definition of what constitutes a "divisional" may favor filing cases based on already issued restrictions under current rules, instead of the New Rules

The Damage: Pending Applications

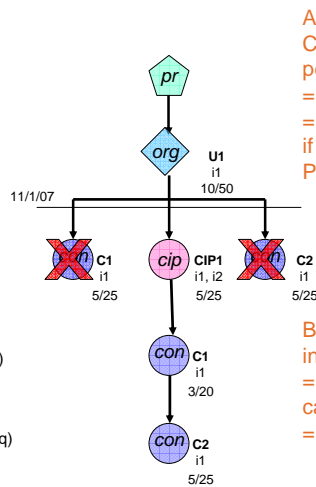
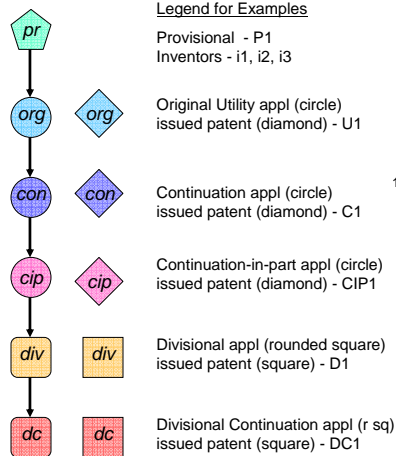
- **Cases Already Being Examined**
 - If an application has received a First Action On the Merits (FAOM) by 11/1/07:
 - 5/25 Claim limits and ESD requirements will not apply
 - Option to Suggest Restriction Requirement (SRR) not available
 - Obligations for Co-pending cases *will* apply and are required by 2/1/08
 - Identify "related cases" - **common assignee and 1 common inventor**
 - No need to rebut any presumption of Patentably Indistinct
 - These cases may be good "buckets" in which to dump add'l claim sets for restriction
 - Obligations to identify priority of any current CIPs due by 2/1/08*
 - *Date changed from 11/1/07 to 2/1/08 by PTO update issued 10/10/07
- **Cases Yet to be Examined**
 - If an application has *not* received a FAOM by 11/1/07:
 - 5/25 Claim limits and ESD requirements will apply
 - Option for SRR is available until a restriction requirement is issued
 - Obligations for Co-pending cases apply and are required by 2/1/08
 - Identify "related cases" with common assignee and 1 common inventor
 - Must rebut/overcome Patentably Indistinct presumption for "related cases" **that also have common priority date(s) and overlapping subject matter**
 - Obligations to identify priority of current CIPs due by 2/1/08*

The Damage: Newly Filed Applications

- **Continuing Cases Filed After 11/1/07**
 - Certain cases get one "extra" continuation as a matter of right if
 - Case claims priority only to applications filed before 8/21/07; *and*
 - There are *no other* co-pending **non-divisional** cases filed after 8/21/07 that also claim priority to any of the same parent cases in the chain of priority
 - **Permits one last gasp "extra" application for old patent families that would not otherwise comply with forward and backward limits of Rule 78(d)(1)**
 - ***Changed to non-divisionals by PTO update issued 10/10/07**
 - Will require creative claiming strategy
 - Present claims that are Patentably Distinct over any related cases; *and*
 - File a SRR to get a restriction requirement; *then*
 - If Examiner issues restriction, a continuing application to the non-elected claims will qualify as a divisional case and continuation limits are reset and claims will not be subject to Patentably Indistinct test
- **New Cases Filed After 11/1/07**
 - Will require more searching and strategizing to deal with claim limits and ESDs
 - Will require more planning to deal with co-pending related cases and divisionals

Rule 78(f):

PTO wants serial prosecution - not parallel prosecution



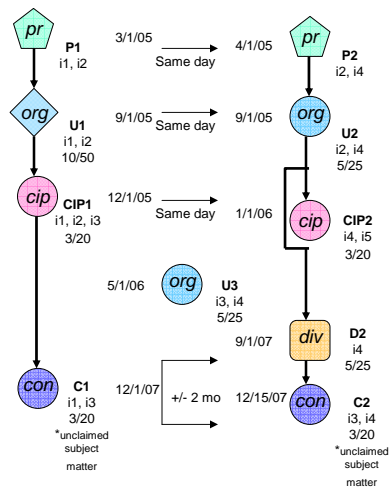
After 11/1/07
C1 + CIP1 + C2
pending in parallel
= 15/75 claims
= ESD in each case
if any claims
Patentably Indistinct

But if prosecuted
in series
= 5/25 claims per
case
= no ESD

Rule 78(f)(1): The Identification Requirement

- **Must ID on PTO form all pending nonprovisional applications with:**
 - Same assignee/obligation to assign
 - regardless of firm handling case
 - measured as of date of invention*
 - *see Fed. Reg. 46735; however, further clarification may be forthcoming
 - At least one common inventor
 - Priority date(s) of all other priority dates with common assignee/inventor
 - Same date for cases filed before 11/1/07*
 - +/- 2 months for cases filed after 11/1/07
 - Must be completed by:
 - 2/1/08 for currently pending cases
 - 4 months after filing or 2 months after filing receipt for new cases
 - No need to identify provisionals on the form, but the provisional dates count for comparing priority dates
 - * Changed to grandfather-in cases before 11/1/07 by PTO update issued 10/10/07
- **Penalty for untimely identification**
 - PTO can issue final rejection if co-pending related case not identified before FAOM
 - Inequitable conduct?

Rule 78(f)(1): The Identification Requirement



- **Required to ID for CIP1**
 - U1, C1, U2, C2
 - Not CIP2 and D2 - no common inventor (both would meet same date test due to U2)
 - Not U3 – not same date
 - *But* CIP2, D2 and even U3 should be included if related subject matter
- **Required to ID for C1**
 - U1, CIP1, C2 (C2 uses +/- 2 mo range)
 - Not U2, CIP2 and D2 - no common inventor
 - Not U3 – not same date
 - *But* U2, CIP2, D2 and even U3 should be included if related subject matter
- **Best Practice**
 - ID all nonprovisional applications with common inventor and include all family members related to common inventor applications

Common Assignee - “Owned by the Same Person” Dealing with Acquisitions and JRAs under *Rule 78*

■ Joint Research Agreements (JRA)

- JRA Requirements - 35 USC 103(c)(2)
 - Written agreement must be in place prior to invention
 - Parties to JRA must be identified in patent application
- JRAs under the New Rules - Rule 78(h)
 - Both parties will be treated as the “common assignee”
 - Rule 78 will apply to all pending applications and patents of *both* parties

■ Acquisition of Pending Applications

- Be careful when acquiring pending applications
 - Evaluate 103(c) impact on removing earlier cases as prior art - MPEP 706.02(I)
 - Evaluate impact of Rule 78(f) on both earlier and later cases
- May want to impose springing obligation to identify (by inventor, serial no, filing date)
 - Any cases filed naming any inventor who is also inventor on assigned case
 - May need to identify back any additional cases filed after acquisition and claiming priority to cases that were acquired

Rule 78(f)(2): Patentably Indistinct Claims

Claims of C1

1. Elements A + B
2. Claim 1 + C

Claims of CIP1

1. Elements A + C
2. Claim 1 + Z

Claims of U1

1. Element A
2. Claim 1 + B
3. Claim 1 + C

■ Patentably Indistinct is a “one-way” test for obviousness

- Apply to *Rule 78(f)(1)* cases with a common priority date/overlapping subject matter
- For examples, elements A, B, C and Z are not obvious over each other alone
- Test for Patentably Indistinct is whether independent claim in given case is one-way obvious over any other claims (including dependents) in all other *Rule 78(f)(2)* cases
- One-way obviousness test is from MPEP § 804(II)(B)(1)(a).

■ Compare only *independent claims* against *all claims* of other cases

- C1 Ind. Claim 1 obvious over U1 Dep. Claim 2 → Patentably Indistinct
- CIP1 Claim Ind. 1 obvious over U1 Dep. Claim 3 → Patentably Indistinct
- Terminal Disclaimer must be filed by 2/1/08 against U1 for both C1 and CIP1

Rule 78(f)(2): Rebutting the presumption

Claims of C1

1. Elements A + B
2. Claim 1 + C

Claims of CIP1

1. Elements A + C
2. Claim 1 + Z

- **Patentably Indistinct vs. Patentably Distinct - devil is in the dependents**
 - C1 → CIP1: Claim 1 of C1 is Patentably Distinct over all claims of CIP1 (Element B is missing in CIP1 claims)
 - CIP1 → C1: CIP1 Claim 1 is Patentably Indistinct over C1 Claim 2 (Element C is present in C1 Claim 2)
 - But, CIP1 Claim 2 is Patentably Distinct over C1 (Element Z not claimed)
- **Presumption may be rebutted by**
 - Canceling claim 1 of CIP1 or claim 2 of C1 and submitting statement; or
 - Teeing up a SRR between claims of C1 and CIP1; or
 - Arguing that claim 1 of CIP1 is Patentably Indistinct from Claim 2 of C1 (last choice)
 - If nothing done prior to *Rule 75(b)(3)* Notice → claims of C1 and CIP1 counted together for 5/25 limit for each of C1 and CIP1 cases

Rule 78(f)(3): The Nuclear Option

Claims of C1

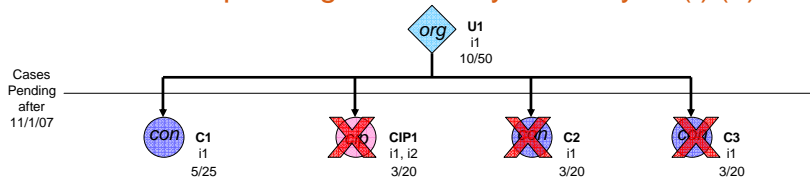
1. Elements A + B
2. Claim 1 + C

Claims of CIP1

1. ~~Elements A + C~~
2. Claim 1 + Z

- **If C1 and CIP1 are Co-pending and Patentably Indistinct:**
 - PTO can require applicant to cancel Patentably Indistinct claims
 - Alternative is to file Terminal Disclaimer and explain why cases are co-pending
 - No requirement to cancel claims that are Patentably Indistinct over issued patents, because claims processed serially, not in parallel
- **PTO intends to use *Rule 78(f)(3)* primarily for cases subject to *Rule 78(f)(2)***
 - Power of *Rule 78(f)(3)* already existed in rules and PTO says it will be used sparingly
 - Rules unclear on how PTO will use with *Rule 78(f)(3)* for cases other than *Rule 78(f)(2)*
 - Rules unclear on the who and when of a requirement to cancel under *Rule 78(f)(3)*
 - Most likely by Examiner at FAOM
 - Test appears to be apply as claims are amended - *Rule 78(f)(2)(ii)(C)*
 - PTO may accept explanation for co-pending cases that cases were filed before the New Rules were issued

When Co-pending Cases may be really 78(f)'(d)!!!



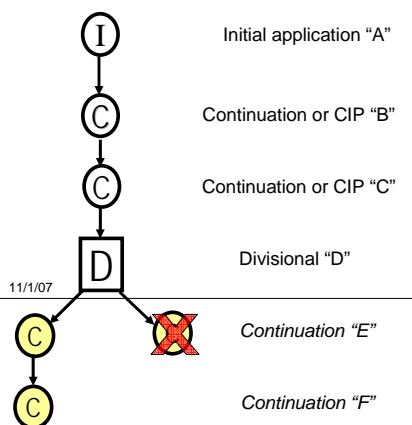
■ Pending Related Cases Prosecuted Simultaneously will be **Trouble**

- Claims of C1-C3 and CIP1 are all subject to *Rule 78(f)(2)* rebuttable presumption
- ESD required before FAOM because $5/25 + 3/20 + 3/20 + 3/20 = 14/85$
- Terminal Disclaimers required by 2/1/08 because of Patentably Indistinct claims
- After all that work, PTO may still cancel claims under *Rule 78(f)(3)* in C2, C3 and CIP1

■ Options

- Use SRR and amend/cancel claims in C1-C3 and CIP1 to be Patentably Distinct
- Add extra claims from C2-C3 into C1, may not an option for CIP1
- Try to get C1 allowed and defer responding to *Rule 75(b)(3)* notice in other cases
- Abandon C2-C3 and refile new cases with 1 claim by 11/1/07 to stagger prosecution
- Disclaim priority for CIP1 to U1 - disclaimed priority of CIP1 will not count against forward limits of *Rule 78(d)(1)*

The potential power of *Rule 78(f)(3)*



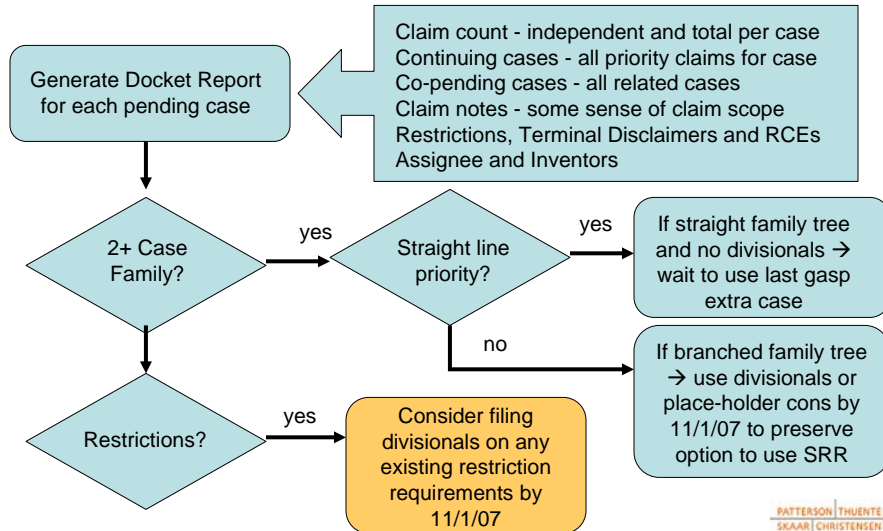
Example from pg. 27 of PTO Website presentation

- Con "E" and Con "F" will have *Rule 78(f)(2)* rebuttable presumption
 - Patentably Indistinct claims in F must be canceled in favor of E
 - Because claims in E and F are both limited to scope of claims in D, it may be difficult to present two Patentably Indistinct claim sets
- If entire claim set of F has to be cancelled
 - Then no further cases can be filed without petition because the forward priority claims of "D" would have been used up - *Rule 78(d)(1)(ii)(D)*
- The example points to the problem of what happens under *Rule 78(d)(1)* in terms of abandoned applications or applications cancelled under *Rule 78(f)*

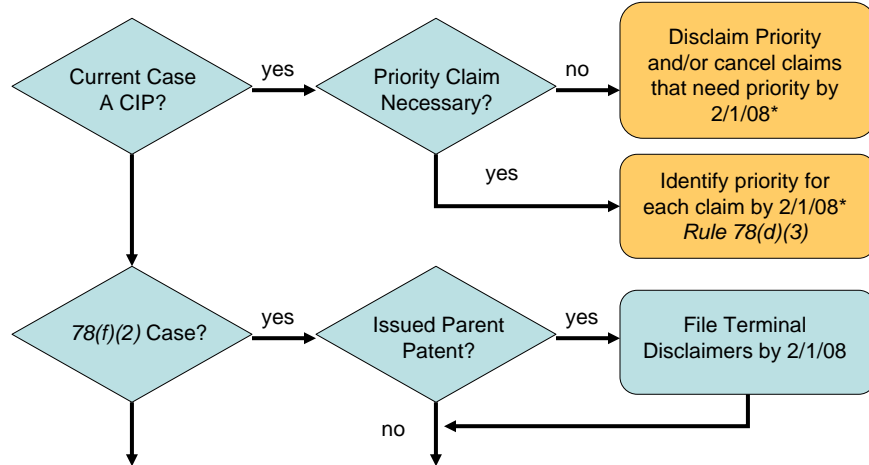
Rule 78 vs. Rule 75: Its all a matter of timing: Deal with Rule 78 before Rule 75 and before 11/1/07

- **PTO will send notices on 5/25 limits - Rule 75(b)(3)**
 - Response to notice may be:
 - Canceling claims in current case or “related” case in the event of claim stacking;
 - Filing a Suggested Restriction Requirement (SRR);
 - Appealing a Patentably Indistinct finding; or
 - Filing an ESD
 - 2 month time limit on response
 - Extendible up to 4 months for cases filed before 11/1/07
 - Non-extendible for cases filed after 11/1/07
 - Notices based on *Rule 75(b)(3)* for claim count in a single case as well as for 5R Ule 75(b)(4) based on combining claims in multiple cases will be sent out by contractors 6-9 months before anticipated FAOM* PTO FAQ Update 10/22/07
- **No notices for Related Cases, CIPs or 2+ case patent families**
 - 11/1/07 deadline to determine strategy for existing “2+ case” patent families
 - May be advantages to using old restriction requirements before 11/1/07
 - 2/1/08 deadline for *Rule 78(f)* identification and explanation requirement
 - 2/1/08 deadline for *Rule 75(d)(3)* CIP priority identification*

The Triage: What to do by Nov. 1st



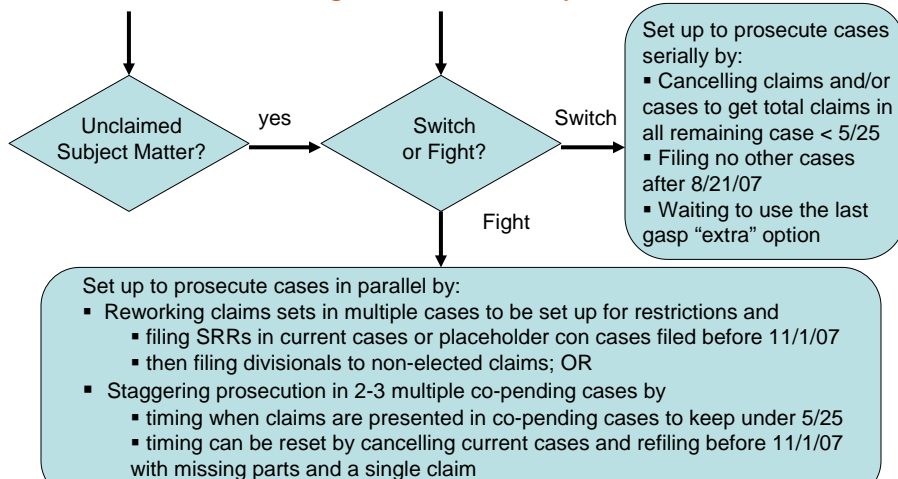
The Triage: What to do by Nov. 1st



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The Triage: What to do by Nov. 1st



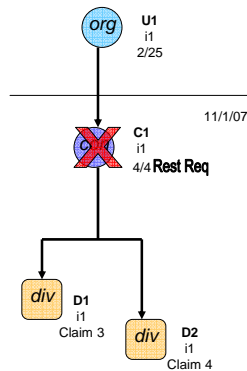
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How to obtain a divisional under *Rule 78(d)(1)*: Restriction Requirements are Get Out of Jail Free cards

- **Rule 78(d)(1)(ii) - The traps for potential divisional cases**
 - *Rule 78(d)(1)(ii)(B)* - divisionals can only have claims that were:
 - presented in a parent case, *but*
 - not elected or prosecuted in response to a restriction requirement
 - *Rule 78(d)(1)(iii)(B)* – up to 2 child continuations, but claims limited to scope of divisional
 - *Rule 78(d)(1)(iii)(C)* - no more than one intervening case between a divisional case and any of the 2 child continuations off the parent divisional
- **Obtaining a divisional will be a two-step process**
 - Must first present claims and get restriction in a parent case
 - For pending cases with a FAOM, add claims
 - For pending cases without a FAOM or new cases, add claims and use SRR
 - Then, cancel claims in parent in response to restriction and file divisional
 - Claims in a proper divisional will not be subject to Patentably Indistinct test
 - Consider using “straw-man” claim set in co-pending cases
 - Straw-man claim set would be claims from another co-pending case to demonstrate co-pending cases are patentably distinct

Two Step Process for Setting up Divisionals



- Assume U1 has FAOM before 11/1/07 and claims for elements A, B, C and X, but element Z is unclaimed

- C1 filed to provoke a restriction requirement to reset continuation limits for elements X and Z

- Use C1 claims 1-2 to get restriction that claims 3-4 are Patentably Distinct from co-pending U1 – restriction can be used as rebuttal explanation on the *Rule 78(f)(1)* form

- Cancel claims 3-4 and file D1 and D2 with expanded claims sets for the scope of claims 3 and 4

- If U1 does not receive Notice of Allowance before C1 taken up, C1 may be canceled over U1 under *Rule 78(f)*

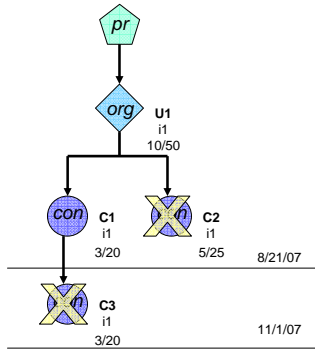
U1

- | |
|------------------|
| 1. A + B |
| 2. 1 + X |
| 3. A + C |
| 4. 4-25
Deps. |

C1

- | |
|----------|
| 1. A + B |
| 2. A + C |
| 3. A + X |
| 4. A + Z |

Examples under Rule 78(d)(1) and Rule 78(f) before 11/01/07

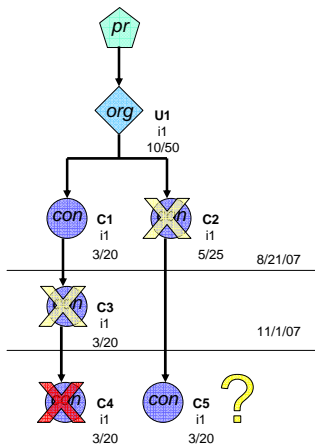


- Some or all of the claims in C2 may be 78(f)'(d) if claims are Patentably Indistinct from C1
- If C3 filed after 8/21/07 and before 11/01/07
 - Then C3 is not subject to *Rule 78(d)(1)*
 - But C3 may also be 78(f)'(d) if claims are Patentably Indistinct from C1 or C2
- Use C3 to set up SRR in order to open up a path for future divisionals
 - C3 may get claims cancelled once restriction requirement issued if C1-C2 still pending
 - But wait for PTO to require cancellation - don't voluntarily cancel

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Examples under Rule 78(d)(1) and Rule 78(f) across 11/01/07

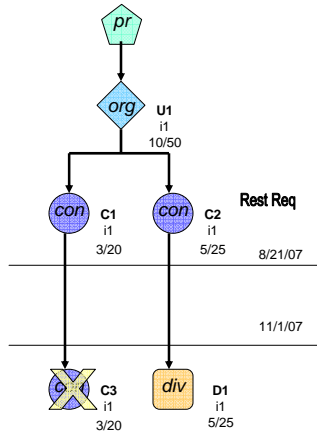


- If C4 filed after 11/1/07
 - C4 not entitled to the one "extra" continuation without a petition because it claims priority to C3 (filed after 8/21/07)
 - C4 can't get priority back to U1, only C1
 - C4 violates both forward and backward limits of *Rule 78(d)(1)(i)(A) and (B)*
- C5 may be entitled to the one "extra" continuation to get priority to U1 provided:
 - C5 is not co-pending with C1-C2; and
 - Neither C3-C4 were filed
 - C5 must use the "extra" provision because U1 forward limits under *78(d)(1)(i)(B)* are already used

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Examples under Rule 78(d)(1) and Rule 78(f) after 11/01/07

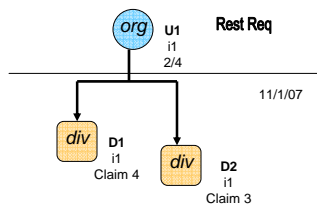


- C3 cannot claim priority back to U1 because U1 children claims are “full” under *Rule 78(d)(1)(i)(B)* (used by C1-C2)
- C3 may use the “extra” exemption as long as:
 - C1 and C2 are not co-pending and
 - No *other* applications claiming priority to U1 are filed after 8/21/07
- D1 can claim priority back to U1 because D1 gets an exception under *Rule 78(d)(1)(i)(B)* as a proper divisional case
 - PTO clarification of 10/10/07 indicates that C3 will be permitted to claim back to U1 because the only other application claiming priority to U1 is a proper divisional or continuation of a divisional

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Gotcha's after 11/01/07 Prosecute Generic Claims First



- Claim set pending in U1 gets a restriction requirement, including a species election
- Response to restriction is to elect claims 1-3 as the group and cancel claim 4 to be pursued in D1

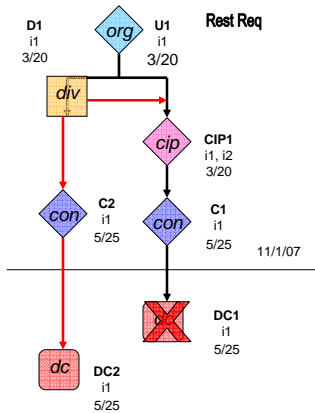
- | |
|-----------|
| 1. A + B |
| 2. B = B1 |
| 3. B = B2 |
| 4. A + Z |

- If generic claim 1 is not cancelled, but is merely withdrawn, claim 1 must be completely prosecuted in the original case and cannot be reinserted into later filed divisional D2 for non-elected species due to definition of divisionals in *Rule 78(a)(2)*
- The same problem seems to occur if the restriction requirement happens after a FAOM in U1; however, PTO guidelines have indicated that the rules will not be interpreted in this way

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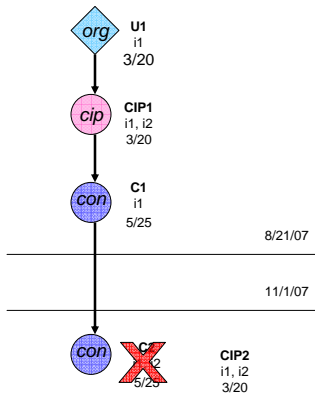
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Gotcha's after 11/01/07 Watch out for old Restriction Requirements



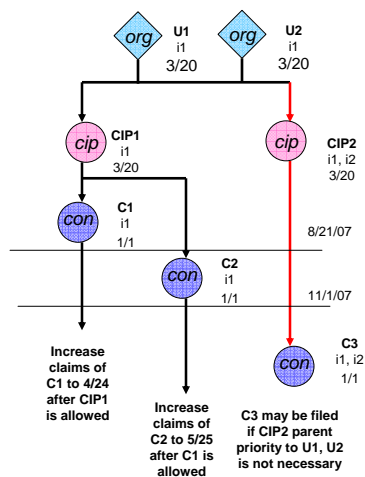
- *If claims broader than original restricted claims may be desired in a divisional, consider filing the divisional before 11/1/07*
- In cases where there is a restriction requirement in an older, larger patent family, filing continuations of divisionals before 11/1/07 may be advantageous
- DC1 is a proper divisional under *Rule 78(a)(2)* after 11/1/07 and is not subject to the limits of *Rule 78(d)(1)(i)* even though there are more than 2 parent and child priority claims
- But DC1 is not a proper divisional continuation under *Rule 78(d)(1)(iii)* because there was more than one intervening case between D1 and DC1
- DC2 would be a proper divisional continuation under *Rule 78(d)(1)(iii)*

Gotcha's after 11/01/07 Watch out for CIPs in the Priority Chain



- Cases like CIP1 that are currently designated as CIPs as of 11/1/07 will require dating of each claim under *Rule 78(d)(3)* unless CIP priority is disclaimed
- As a pending continuation, C1 will not require dating of each claim, even though it claims priority to CIP1 and includes additional subject matter added in CIP1 because *Rule 78(d)(3)* doesn't apply to C1
- C2 may be permitted continuing application after 11/1/07 under the "extra" provision once CIP1 and C1 no longer pending
- But C2 may be a CIP - not a continuation - under *Rule 78(a)* unless subject matter added in CIP1 is cancelled from C2* (unclear from PTO)
- If C2 is really CIP2, then claim dating will be required under *Rule 78(d)(3)*

Tricks after 11/01/07 Stagger Prosecution of Co-Pending Cases



- In cases where there are 2+ co-pending cases in an older, larger patent family where SRRs may not be possible, filing placeholder cases may be helpful
- As long as total claims of CIP1, C1 and C2 under 5/25 limits, steps can be taken to deal with *Rule 78(f)* Patentably Indistinct issues without requiring an ESD
- If CIP1 has FAOM before 11/1/07, add Patentably Indistinct claims into CIP1 to either get prosecuted or restricted
- Once CIP1 is allowed, additional claims can be added to C1 and similarly for C2
- Key advantage is that C2 can be co-pending in queue instead of waiting for “last gasp” extra case
- If CIP2 has claims only covering newly added subject matter, then disclaim priority to U1 and U2 and C3 can be filed

Tricks after 11/1/07 Use Provisionals to avoid *Rule 78(f)(2)* for new cases

- **Use provisionals to create separate “source” of priority**
 - If filing a utility without a provisional
 - File a provisional that is identical to utility - **must be filed on different day**
 - File 2nd utility claiming priority to provisional, but not 1st utility
 - Avoids rebuttable presumption under *Rule 78(f)(2)*
 - If filing a utility based on an earlier 1st provisional
 - File 1st utility and claim priority only to 1st provisional
 - File 2nd provisional as copy of 1st utility - **must be filed on different day**
 - File 2nd utility and claim priority only 2nd provisional, *or*
 - File PCT claiming priority to either 1st or 2nd provisional
 - Be mindful of 102(b) bars and *New Railhead* issues
 - It may also work to avoid presumption by filing initial utilities on different days
 - Utilities could claim priority to same provisional if utilities have different subject matter and provisional is not incorporated by reference so as to avoid “overlapping subject matter”
- **Avoiding presumption isn’t a guarantee of freedom from ESDs**
 - PTO may still request ESD for co-pending cases with Patentably Indistinct claims
 - *Rule 75(b)* does not require common inventor or common priority date
 - Notice sent by Examiner, not contractors, because claims must be reviewed

Tricks after 11/1/07 Use Provisionals Instead of CIPS

- **Use multiple provisionals instead of CIPs**
 - Always attach copies of prior provisionals (no incorporation by reference)
 - Consider using omnibus claim to preserve international priority for provisional
 - Consider putting claims in body of specification, instead of a separate claim section, to avoid potential *Festo* argument should claims be narrowed in a utility application
- **Different utility families can be filed from different provisionals**
 - Filing a 2nd utility based only on a 2nd provisional whose priority is not claimed by a 1st utility that claims priority to an 1st provisional creates separate 2+1 patent families
 - Will work as long as priority to the earlier-filed 1st provisional is not needed
 - Does expose 2nd utility to intervening art filed between 1st and 2nd provisionals
 - Intervening art may be removed in 2nd utility by swearing behind
- **Get used to multiple, serial provisionals if First-to-File is passed**
 - Filing multiple, serial provisionals as development of an invention occurs is one way of dealing with the anticipated first-to-file provisions in the Patent Reform Act of 2007
 - Serial provisionals move the question from first-to-file to first-to-enable in cases of overlapping applications filed by different inventors

Tricks after 11/1/07 Requesting Refunds

- **Rule 117 – refunds of excess claim fees for cancelled claims**
 - Claims must be canceled before FAOM
 - Refund request must be made within 2 months of cancellation
 - Only excess claim fees paid after 12/8/04 are covered
- **Request can be done as part of putting claims on a diet for 5/25 limits**
 - If claims in a given application are cancelled to meet the 5/25 limits of *Rule 75(b)(3)*, applicant can request refund of excess claims fees
- **Request can be done as part of SRR process**
 - For purposes of requesting a refund under *Rule 117*, a FAOM does not include a restriction requirement
 - When claims are cancelled in response to a restriction requirement, either PTO initiated or by SRR, applicant may request a refund for excess claim fees paid for that application.

Tricks after 11/1/07 Be Mindful of Genealogy for Patent Families

- **PTO will provide updated Application Data Sheet (ADS)**
 - All claims to priority must be indicated on ADS
 - Any additions to priority claim must be made within 4 months of filing date
- **Initial paragraphs in the specification**
 - First paragraph must recite only cases for which priority is claimed
 - Suggestion is to include both statutory and regulation basis for each case
 - “ This application is a continuation under 37 CFR § 1.78(d)(1)(ii) of Serial No. 11/xxx,xxx, filed on January 2, 2004 and now issued as U.S. Patent No. 7,zzz,zzz, which claims priority under 35 USC § 119(e) to provisional application Serial No. 60/xxx,xxx, filed January 2, 2003, the disclosure of each of which is hereby incorporated by reference.”
 - Second and separate paragraph recites only related cases
 - “ This application is related to co-pending application Serial No. 11/xxx,xxx, filed on February 1, 2004, the disclosure of which is hereby incorporated by reference other than definitions of terms that are expressly recited therein.”

The Last Resort: Filing an ESD

- **ESD Requirements**
 - Statement that pre-examination search was conducted - *Rule 265(a)(1)*
 - Identification of field of search by US class/subclass, date of search
 - Database searches including search logic, files retrieved and date of search
 - Foreign patents, applications and literature
 - No guidelines on web materials
 - Reverse claim mapping - *Rule 265(a)(3)*
 - Map each identifies reference to elements of each claim
 - ONLY large entities have to do reverse claim mapping - *Rule 265(f)*
 - Explanation of patentability of each independent claim - *Rule 265(a)(4)*
 - Claim support map of each claim to demonstrate 112 support in spec - *Rule 265(a)(5)*
 - Ongoing obligation to supplement ESD during prosecution – *Rule 265(e)*
- **ESD Problems**
 - High percentage of searches in AESD being rejected for incomplete searches
 - May want to consider as option for small entities in order to use large claim sets in currently pending cases instead of trying to fight for extra continuations

The Last Resort - filing an ESD

You really don't want to have to do this search!

Text Search Example

Database Searches:

1) Database Service: USPTO EAST

Files Searched:
 US Patent Document Database; US-PG/PUB; USPAT; USOCR
 Foreign Patent Document Database; EPO; IPO; DERWENT
 IBM Technical Disclosure Bulletin database; IBM; TDB

Search Logic:

1.1 (coupon or promotion or ad or advert¹ or banner or discount or incentive or offer²) near/19 (id or ident³ or code or unique or serial ad number)

1.2 (coupon or promotion or ad or advert¹ or banner or discount or incentive or offer²) with (accept⁴ or pick⁵ or choose⁶ or choose⁷ or decide⁸ or decision or choice)...

1.1.1 (coupon or promotion or ad or advert¹ or banner or discount or incentive or offer²) same (redem⁹ or redemption) same (history¹⁰ or previous¹¹ or before or already or prior or present¹² or past or earlier) same (user or customer or consumer or shopper or buyer or purchaser)

Date Conducted: August 8, 2006.

2) Database Service: Dialog

Files Searched:
 (New Patent Literature) AIC/INFORMS (Bell & Howell) Information and Learning; Business & Industry™ (Responsive Database Services, Inc.) Business Week [The McGraw-Hill Companies Publications Online]; Business Wire (Business Wire); Computer Database™ [The Gale Group]; ... USA Today; Washington Post Online.

Search Logic:

5: (coupon or promotion or ad or advert¹ or banner or discount or incentive or offer²) (libr³) (id or ident⁴ or code or unique or serial number)...

5.1: (coupon or promotion or ad or advert¹ or banner or discount or incentive or offer²) (libr³) (redem⁹ or redemption) (libr³) (history¹⁰ or previous¹¹ or before or already or prior or present¹² or past or earlier) (libr³) (user or customer or consumer or shopper or buyer or purchaser)

Date Conducted: August 8, 2006.

This is an example of from page 8 of the ESD Guidelines on the PTO Website showing a text search example

The key appears to be that each and every claimed element or limitation (both independent and dependent claims) must be reflected in the keyword text search.

The Last Resort - filing an ESD

And you really, really don't want to do a reverse claim map!

Example of an Identification of Limitations Disclosed by a Reference

Claim 1	Purcell et al. (US 2004/0193487)
A method of delivering a secure promotion to a user comprising:	Abstract; figure 6
a) collecting a plurality of offers;	Implied by offers presented to user in figure 6
b) assigning a unique identifier to each of the offers from the plurality of offers;	Abstract; *0018; *0049
c) encoding each of the unique identifiers;	Abstract; *0018; *0049
d) providing a retailer with the plurality of coupons;	Figure 4 box 4; *0043 (retailer provided with coupons)
e) identifying the user;	Figure 6 box 602 (user logs onto retailer site)
f) providing the user with a plurality of coupons for selection;	Figure 6 box 606 (user selects offers)
g) determining which of the provided coupons the user has selected;	Figure 6 boxes 614, 620, 626 (that the user prints/receives coupons requires determining which coupons were selected)
h) informing the retailer about the selected coupons by the user;	Figure 6 boxes 616-618 (if the user chooses electronic delivery the selections are sent to the retailer)
i) decoding the identifiers on the selected coupons and validating the selected coupons using the decoded identifiers;	*0049; *0050
j) redeeming the validated coupons; and	Figure 4 boxes 406-408; *0043; *0050
k) providing a clearinghouse with the redemption information.	*0043 (the offers are totaled and reported to a service system, the service system can be considered a clearinghouse.)

This is an example of from page 12 of the ESD Guidelines on the PTO Website showing a reverse claim map for 1 reference and 1 claim.

To comply with the requirements of *Rule 265(a)(3)*, multiple this by the number of relevant references times the total number of claims in the application.

Recent examples of acceptable AESD claim maps have been done in prose style, rather than table style, which may be a more effective presentation.

Waiting for the Other Shoe to Drop: The IDS Rules

- **IDS Rule Package currently in front of OMB**
 - Rules change attempts to get most relevant prior art into cases earlier
 - Limit citations of material references to no more than 25 references
 - Impose duty on attorneys to personally review every cited reference
 - Eliminate new IDS as reasons for RCE and provide alternate approach
 - Change procedures for 3rd party submissions
 - Decision to approve, deny or extend time for OMB review due by Monday
 - Two separate oppositions to IDS rules have been filed
 - First opposition by Glaxo et al arguing that economic impact of complying with IDS Rules would be > \$2B
 - Second opposition by anonymous group represented by former OMB director arguing that economic impact would be > \$7B
 - Possibility of still submitting “extra” references that could be put into file by an additional 1449 that would not be reviewed by Examiner
 - Uncertain whether obligation for personal review of any “extra” references
 - If IDS Rules approved by OMB
 - Published Around 12/1/2008
 - Likely effective on 2/1/2008

The Salvage Operation: Only Superman Can Save the Day



The PTO estimates an average of 24 hours of attorney time (\$5-\$10K) to prepare and file an ESD for each case that exceeds the 5/25 claim limits, *and that doesn't include the time to identify and explain co-pending cases with Patentably Indistinct claims.*

Superman Cartoon Clip from "Billion Dollar Limited" original copyright 1943 by Paramount Pictures, now in public domain and used under Creative Commons Copyright License

The bottom line is that average costs for patent applications, both preparation and prosecution, may increase by 2X or more.

The Extras Effective Dates of New Rules

[Effective 11/1/97 for - Newly filed applications or pending application w/out FOAM before 11/1/97](#)

Effective 11/1/97 for – Newly filed applications only

Effective 11/1/97 for – All pending applications with fees paid before 12/8/04

Effective 11/1/97 for – all pending applications, including reissues (but not reexams)

§ 1.17 Patent application and reexamination processing fees.

§ 1.26 Refunds

§ 1.52 Language, paper, writing, margins, compact disc specifications.

§ 1.53 Application number, filing date, and completion of application.

[§ 1.75 Claim\(s\)](#).

§ 1.76 Application data sheet

§ 1.78(a) and (d)(1) Claiming benefit of earlier filing date and cross-references to other applications.

§ 1.78(all other) Claiming benefit of earlier filing date and cross-references to other applications.

§ 1.104 Nature of examination.

§ 1.105 Requirements for information.

§ 1.110 Inventorship and date of invention of the subject matter of individual claims.

§ 1.114 Request for continued examination.

[§ 1.117 Refund due to cancellation of claim.](#)

§ 1.136 Extensions of time.

§ 1.142(a) Requirement for restriction.

[§ 1.142\(c\) Requirement for restriction.](#)

§ 1.145 Subsequent presentation of claims for different invention.

[§ 1.265 Examination support document.](#)

§ 1.495 Entering the national stage in the United States of America.

§ 1.704(c)(11) Reduction of period of adjustment of patent term.

§ 1.704(other) Reduction of period of adjustment of patent term.

The Extras The Effect of PCT and International Filings

PCT Claims priority	PCT Demand	US entered via	Permitted AFTER entry into US national processing	U.S. appln. priority under
US Provisional (111(b))	No	35 U.S.C. 371	2 Continuing applications & 1 RCE	35 U.S.C. 119 (e)
US Provisional (111(b))	No	35 U.S.C. 111(a)	2 Continuing applications & 1 RCE	35 U.S.C. 119(e), 365(c) & 120
US Provisional (111(b))	Yes	35 U.S.C. 371	2 Continuing applications & 1 RCE	35 U.S.C. 119(e)
US Provisional (111(b))	Yes	35 U.S.C. 111(e)	1 Continuing application and 1 RCE	35 U.S.C. 119(e), 365(c) & 120
35 U.S.C. 111(a)	No	35 U.S.C. 371	1 Continuing application & 1 RCE	35 U.S.C. 120
35 U.S.C. 111(a)	No	35 U.S.C. 111(a)	1 RCE	35 U.S.C. 120
35 U.S.C. 111(a)	Yes	35 U.S.C. 371	1 Continuing application & 1 RCE	35 U.S.C. 120
35 U.S.C. 111(a)	Yes	35 U.S.C. 111(a)	1 RCE	35 U.S.C. 120
Foreign application	No	35 U.S.C. 371	2 Continuing applications & 1 RCE	35 U.S.C. 119(a) & 365(b)
Foreign application	No	35 U.S.C. 111(a)	2 Continuing applications & 1 RCE	35 U.S.C. 119(a-d) & 120
Foreign application	Yes	35 U.S.C. 371	2 Continuing applications & 1 RCE	35 U.S.C. 119(a) & 365
Foreign application	Yes	35 U.S.C. 111(a)	1 continuing application & 1 RCE	35 U.S.C. 119(a-d) & 120